

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16 .2.2012

CORAM:

THE HONOURABLE MR.JUSTICE ELIPE DHARMA RAO
AND
THE HONOURABLE MR.JUSTICE R.SUBBIAH

WRIT PETITION NO.8681 OF 2011

Rhizome Distilleries Pvt.Ltd.,
3-5-152/1, Narayanaguda,
Hyderabad,
Andhra Pradesh. .. Petitioner

..vs..

1. Union of India,
rep.by its Secretary,
Department of Industrial Policy
& Promotion,
Ministry of Industry & Commerce,
Government of India,
Udyog Bhavan,
New Delhi-110 011.
2. Intellectual Property Appellate Board,
rep.by its Registrar,
Annex-I, Guna Complex, II Floor,
443, Anna Salai, Teynampet.
3. The Registrar of Trade Marks,
Trade Marks Registry,
Intellectual Property Office Building,
G.S.T.Road, Guindy,
Chennai-600 032.
4. Pernod Richard S.A.
(A company incorporated under the
laws of France),
12, Place Des Etats-Unis/75016,
France. .. Respondents

* * *

Writ petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, calling for the records pertaining to the Order of the 2nd respondent dt.24.12.2010, made in ORA/248/08/TM/CH and to quash the same and to direct the 3rd respondent not to cancel/re-enter trademark registration No.1161682 in class 33 for the trademark 'IMPERIAL GOLD' from/in the Register of Trademarks.

* * *

For Petitioner : Mr.AR.L.Sundaresan, Senior Counsel
for M/s.G.M.S.Law Associates
& Mason Associates

For Respondents: Mr.C.V.Ramachandra Murthy - R1 to R3
Mr.Hemant Singh for Mr.A.A.Mohan - R4

* * *

O R D E R

R.SUBBIAH.J.,

This writ petition has been filed to quash the order dated 24.12.2010 passed by the 2nd respondent/ Intellectual Property Appellate Board, directing the 3rd respondent, the Registrar of Trade Marks, to remove the writ petitioner's trade mark 'IMPERIAL GOLD', registered under No.116168 in Class 33 from the Register of Trade Marks, in the application filed by the 4th respondent herein under sections 11(1), 11(3), 11(10), 18 and 57 of the Trade Marks Act, 1999 and Rule 2 of the Trade Marks (Applications and Appeals to the Intellectual Property Appellate Board) Rules, 2003.

2. The brief facts, which are culled out from the materials available on record to decide the issue involved in the writ petition are as follows:

The 4th respondent is a company incorporated under the laws of France, having their registered office at Paris, France and they are the ultimate holding company of various entities, all engaged in the business of manufacturing and/or distribution of wines, liquors and spirits. The 4th respondent company features as one of the two leading players of the world in the spirits and wine market and is number one player outside United States of America. The said holding company by itself and through its subsidiaries is engaged in the business of manufacturing and marketing of a variety of alcoholic beverages worldwide and their products - whiskies, liquors and other spirits - are sold in various internationally renowned and acclaimed brands such as 'ROYAL SALUTE', 'CHIVAS REGAL', '100 PIPERS' etc. Apart from these brands, the 4th respondent, through its subsidiaries, owns locally acclaimed brands such as 'IMPERIAL BLUE' and 'ROYAL STAG'.

3. While so, the 4th respondent filed an application before the 2nd respondent Intellectual Property Appellate Board for removal/rectification of the petitioner's trade mark 'Rhizome's IMPERIAL GOLD', stating that they are the registered proprietors of the trade mark 'IMPERIAL BLUE', which is registered in India since 1997 and is a coined mark having highest degree of inherent distinctiveness in relation to alcoholic beverages. On account of long and continuous usage since 1997, extensive marketing and sale campaign through all India distribution network, enormous sale and painstaking quality control, the whisky sold under the trade mark 'IMPERIAL BLUE' has acquired enviable goodwill and reputation amongst the members of trade and public at large and acquired status of a 'well known brand' which signifies, connotes and denotes the whisky originating from the 4th respondent exclusively.

4. It is the further case of the 4th respondent that during the month of October, 2007, the 4th respondent came to know the trade mark registration applications filed by the writ petitioner for registration of trade marks 'RHIZOME'S IMPERIAL WHITE' (No.1374617), 'RHIZOME'S IMPERIAL RED' (No.1374616) and 'RHIZOME'S IMPERIAL GREEN' (No.1374618), all advertised together in Trade Marks Journal No.1372 (Regular) dated 16th July, 2007, which was made public by the 3rd respondent on 18.10.2007. All these applications were opposed by the 4th respondent vide applications dated 15.02.2008. Before filing the notice of opposition, the 4th respondent made best efforts through its marketing network and sales representatives to find out from the liquor market in India whether any alcoholic beverages are available for sale and found that no such goods are available for sale. While so, on 16.02.2008, the 4th respondent came across yet another application for registration of the trade mark 'Rhizome's IMPERIAL GOLD' whisky label vide trade mark application No.1454195 advertised in the Trade Mark Journal and the same was also opposed by the 4th respondent's wholly owned Indian subsidiary Austin Nichols and Company. The goods of the writ petitioner were seen in the market only in the second week of August, 2008. The 4th respondent obtained a sample of the said bottle from Hyderabad and to the shock of the 4th respondent, they found that the petitioner has not only copied the overall colour combination and get up of ROYAL STAG label and the trade dress thereof but even has used ROYAL STAG bottle of the 4th respondent's wholly owned subsidiary Austin Nichols & Company for sale of Rhizome's IMPERIAL GOLD whisky.

5. It is the further case of the 4th respondent that the application No.1161682 for impugned registration for the trade mark 'Rhizome's IMPERIAL GOLD' was advertised in Trade Mark Journal No.1305 (Supplement) III and was made available to the public on 04.11.2003; but the said advertisement escaped the attention of the 4th respondent and was registered inadvertently by the 3rd respondent in contravention of the objective and provisions of the Trade Marks Act, 1999.

6. Subsequently, the 4th respondent filed a suit before the Delhi High Court in the year 2008 in C.S.(O.S.)No.2314 of 2008 and a learned single Judge of Delhi High Court has granted an order of interim injunction restraining infringement of plaintiff/4th respondent's trademark and copyright by its order dated 06.11.2008 in I.A.No.13426 of 2008. Aggrieved over the same, the petitioner filed two appeals before the Division Bench of the Delhi High Court in FAO (OS) No.484/2008 and FAO(OS) No.497/2008 and the Division Bench allowed the appeals holding that the word 'IMPERIAL' is laudatory in nature and common to the trade which cannot be monopolized by any one single party and allowed the petitioner to use the trade mark 'RHIZOME'S IMPERIAL GOLD', but directed to change its label. The 4th respondent herein has preferred a special leave petition before the Hon'ble Apex Court against the order of the Division Bench of the Delhi High Court and the Hon'ble Apex Court dismissed the SLP at the admission stage itself with an observation to expedite the trial of the suits. Hence, the order of the Division Bench of the Delhi High Court has become final. In the said situation, the 4th respondent herein filed an application for rectification before the 3rd respondent.

7. The said application was resisted by the writ petitioner herein, by filing a counter before the 3rd respondent Board, contending that the petitioner is a company registered under the Companies Act, 1956 and is a registered proprietor of the trade mark 'RHIZOME'S IMPERIAL GOLD' under No.1161682. The petitioner company is a bottling and blending unit, which possesses recognised liquor brands in the market capturing middle and lower segments. Some of the brands of the petitioner are 'IMPERIAL GOLD WHISKY', 'MARSHALL WHISKY', 'ROYAL GOLD DELUXE WHISKY', 'ROYAL EAGLE WHISKY', 'THE FAMOUR HORSE WHISKY', 'CREDIT CARD SELECT WHISKY' and '1000 OAKS LUXURY WHISKY'. The trademark 'RHIZOME'S IMPERIAL GOLD' was adopted by the petitioner since 2002 and their trade mark, 'RHIZOME'S IMPERIAL GOLD', due to its uniquely coined nature, is prima facie distinctive of the goods of the petitioner. The writ petitioner have extensively and continuously used the said mark from 2006 in an uninterrupted manner and gained sufficient goodwill and reputation in their favour. The goods bearing the trade mark 'RHIZOME'S IMPERIAL GOLD' are extensively sold with widespread sales and they have spent liberally on advertising and sales promotion of goods under the mark 'RHIZOME'S IMPERIAL GOLD'. Apart from that, the petitioner is also the proprietor of the copyright for the artistic work in the label 'RHIZOME'S IMPERIAL GOLD' under registration No.817571/2007 dated 27.12.2007. The said trademark has been uniquely and bona fide adopted in relation to the goods of the petitioner and the trade mark is prima facie distinctive of the petitioner's goods. In short, it is the contention of the petitioner that their trade mark is distinctive in nature and there is no likelihood of creating confusion with the trade mark of the 4th respondent. Thus, they prayed for the dismissal of the rectification application.

8. The 3rd respondent Board, after hearing both sides, has allowed the application on a finding, inter alia, that 'the registration of the trade mark 'IMPERIAL GOLD' is in contravention of the provisions of section 11 of the said Act; the writ petitioner's trade mark was causing confusion and deception in the minds of the public; the 4th respondent has been using the similar identical trade mark since 1997, whereas the writ petitioner has adopted the trade mark only in the year 2002, but launched the product bearing the impugned trade mark in the year 2006; on the date of application for registration by the writ petitioner in the year 2002, the 4th respondent's trade mark was already put to use and there was likelihood of confusion and deception; further more, it is the contention of the 4th respondent that they are the registered proprietor of IMPERIAL RED, IMPERIAL BLUE, etc. and in such circumstances, there is every possibility to cause confusion' and thus, allowed the application filed by the 4th respondent and directed the 3rd respondent to remove the trade mark of the writ petitioner, namely, 'RHIZOME'S IMPERIAL GOLD'. Challenging the same, the present writ petition has been filed.

9. Learned Senior Counsel appearing for the petitioner submitted that the word 'IMPERIAL' is common to the trade and it cannot be monopolised by one single party to the exclusion of others, especially when neither party has used the term 'IMPERIAL' in isolation. In this regard, by inviting the attention of this Court to various products marketed with the term 'IMPERIAL', such as 'IMPERIAL TRIBUTE', 'TETLEYS IMPERIAL', 'IMPERIAL HERO WHISKY', 'IMPERIAL CLASSIC' etc., the learned senior counsel submitted that the word 'IMPERIAL' is, thus, a common word and hence, the 4th respondent cannot claim exclusive right over the word 'IMPERIAL'. He would further argue that the 2nd respondent Board ought to have appreciated and applied the principles enshrined in Section 17 of the Trade Marks Act and, thereby, ought to have come to the conclusion that the registered proprietor of composite trade mark cannot claim any exclusive right over the individual elements therein. He would further argue that in fact, the Division Bench of the Delhi High Court in the appeal filed by the writ petitioner as against the interim order passed by the learned single Judge held that 'IMPERIAL' is common to the trade and there was no likelihood of confusion between the 'Rhizome's IMPERIAL GOLD' of the petitioner and the 'IMPERIAL BLUE' of the fourth respondent, but, the 2nd respondent Board has failed to see that the provisions of section 11 of the Trade Marks Act could be applied only with regard to the issue of infringement which is the domain of a civil court. So far as the rectification application filed by the 4th respondent is concerned, the learned senior counsel would argue that the Board ought to have considered the question whether the trade mark of the writ petitioner could be registered or not and instead of comparing the marks as a whole, the 2nd respondent Board, by erroneously applying the

provisions of section 11 of the Trade Marks Act, had segregated the marks of both parties and compared only the word 'IMPERIAL' which is not the prominent, essential or deciding factor and had come to an erroneous conclusion that the two trade marks when placed side by side may exhibit some differences and therefore, if a person who is acquainted with one mark may be deceived if the other is not before him. Attacking the said finding of the Tribunal, the learned senior counsel further submitted that the Board, by applying the principle of infringement, has decided the application filed by the 4th respondent which is purely a subject matter of civil court and therefore, the order dated 24.12.2010 is liable to be set aside.

10. That apart, the learned senior counsel for the petitioner submitted that in the appeal filed by the writ petitioner before the Division Bench of Delhi High Court as against the interim injunction granted by the single Judge in the suit filed by the 4th respondent, the Division Bench has held that the word 'IMPERIAL BLUE' and 'RHIZOME'S IMPERIAL GOLD' are totally dissimilar and both the parties have to co-exist and thus, allowed the appeal. When that being the position, the order passed by the 2nd respondent Board, by allowing the application filed by the 4th respondent and directing the 3rd respondent to remove the writ petitioner's trade mark 'RHIZOME'S IMPERIAL GOLD' is not legally sustainable and is contrary to the findings rendered by the Division Bench of the Delhi High Court, which has become final. The learned senior counsel further submitted that the writ petitioner has also agreed to change the label, trade dress and get up of their bottles before the Division Bench, when it was pointed out by the Bench that the writ petitioner's label, trade dress and get up are similar to the 4th respondent's ROYAL STAG. Pursuant to which, they have also changed the label, trade dress and their get up in the bottles. Therefore, according to the learned senior counsel, absolutely there is no likelihood of confusion between the trade marks of the petitioner and the 4th respondent. Therefore, the order passed by the 2nd respondent Board is liable to be set aside. In support of his contentions, the learned senior counsel has relied upon the decisions reported in HIMALAYA DRUG CO., .vs. SBL LIMITED (2010 (43) PTC 739 (DELHI) and GUFIC LTD., AND ANOTHER vs. CLINIQUE LABORATORIES, LLC AND ANOTHER (2010 (INDLAW DEL 1815)).

11. Combating the said submissions, the learned Senior Counsel appearing for the 4th respondent submitted that the 4th respondent company has been using the trade mark 'IMPERIAL BLUE' since 1997. The petitioner had adopted the trade mark 'RHIZOME'S IMPERIAL GOLD' only at the later point of time i.e. since 2002. By inviting the attention of this Court to the documents filed by him, the learned senior counsel submitted that the word 'RHIZOME' is the house mark of the writ petitioner, which was registered separately on 18th of May, 2005 and the word 'RHIZOME'S IMPERIAL GOLD' was registered separately by the petitioner. The 4th respondent company came to know only in the

month of February, 2008 about the registration of the trade mark 'RHIZOME's IMPERIAL GOLD' by the writ petitioner. The registration obtained by the writ petitioner is in breach of section 9 of the Trade Marks Act and as per section 9, the trade marks, which are devoid of any distinctive character, could be refused registration by the Board. The word 'IMPERIAL' + BLUE colour is a structural and conceptual coinage of the 4th respondent, which is a distinctive and unique component of the 4th respondent's trade mark. In this regard, the learned senior counsel, by placing reliance on the documents, submitted that the 4th respondent had registered another trade mark namely, IMPERIAL RED colour.

12. By referring those registration certificates, the learned senior counsel for the 4th respondent submitted that though 'IMPERIAL' is a common word, by adding a colour, the 4th respondent innovated a distinct combination to mark their products, whereas the writ petitioner, in the same way, by adding a word 'GOLD' along with 'IMPERIAL', is attempting to trade upon the goodwill and reputation that vest completely in the trade mark 'IMPERIAL BLUE' of the 4th respondent and therefore, such a trade mark cannot be registered. Considering these aspects, the 2nd respondent has correctly allowed the application filed by the 4th respondent. The learned senior counsel further submitted that the learned single Judge of the Delhi High Court has granted an order of interim injunction only based on the case put forth by the 4th respondent on the ground of passing off and not on the ground of infringement. Aggrieved over the same, the petitioner has filed an appeal before the Division Bench, in which, the Division Bench has made certain observations with regard to the word 'IMPERIAL' stating that the word 'IMPERIAL' is a common word. In this regard, the learned senior counsel for the 4th respondent further submitted that the observation made by the Division Bench of the Delhi High Court is only based on the ground of passing off and not on the other aspects of the case and hence, the writ petitioner cannot take advantage of the said finding. In fact, the issue with regard to the infringement of trade mark is still pending for trial before the learned single Judge, Delhi High Court and therefore, the finding of the Division Bench cannot be said to be final. In this regard, the learned senior counsel, by referring to section 28(2) and (3) of the Trade Marks Act, submitted that when both the marks are registered by the 3rd respondent, unless one of the trade marks is cancelled, one party cannot take action for infringement. Therefore, the question with regard to the infringement is yet to be decided by the Delhi High Court. Hence, it is incorrect to state that the matter had reached finality in the interim order passed by the Delhi High Court.

13. The learned counsel for the 4th respondent further submitted that while deciding the application filed by the 4th respondent under section 57 of the Trade Marks Act, to cancel and to rectify the register, the Board has to consider the grounds under sections 9 and

11 as the ground for refusal of registration. Accordingly, the Board has taken into consideration the provisions of section 11 and correctly allowed the application filed by the 4th respondent. Therefore, it is incorrect to state that by following the principles of infringement the Board has allowed the application. In this regard, by inviting the attention of this Court to section 29 of the Trade Marks Act, which deals with 'infringement of registered trade marks', the learned counsel submitted that although section 11 seems to have some similarities with section 29, it does not mean that the Board, by applying the principles of infringement, has allowed the application filed by the 4th respondent. Further, the learned counsel for the 4th respondent submitted that the word 'RHIZOME' added as a prefix along with the word 'IMPERIAL GOLD' has to be discarded. Though adding the word 'RHYZOME' as prefix may be relevant for deciding the issue on the ground of passing off, it is not relevant for deciding the case on the ground of infringement. Therefore, the submission made by the learned senior counsel appearing for the petitioner that a registered proprietor of composite trade mark cannot claim any exclusive right over the individual element, cannot be made applicable, while deciding the case on the ground of infringement or while registering the trade mark before the Board. The learned senior counsel for the 4th respondent further submitted that though the petitioner has referred to number of trade marks and other products with the word 'IMPERIAL', those trade marks were not a conceptual coinage of IMPERIAL + colour. Therefore, the reference made by the learned senior counsel for the writ petitioner with regard to other trade marks may not be correct. The learned counsel for the 4th respondent has also relied on the judgments reported in KAVIRAJ PANDIT DURGA DUTT SHARMA .vs. NAVARATNA PHARMACEUTICAL LABORATORIES (AIR 1965 SC 980), RUSTON HORNBY LTD., .vs. Z.ENGINEERING CO., (AIR 1970 SC 1649), AMRITDHARA PHARMACY .vs. SATYA DEO GUPTA (AIR 1963 SC 449) and PANKAJ GOEL .vs. DABUR INDIA (2008 (38) PTC 49).

14. The learned counsel for the 4th respondent further submitted that a writ of certiorari can be issued only to correct the errors of jurisdiction committed by inferior courts or Tribunals, without jurisdiction or is in excess of them. In the instant case, absolutely there is no jurisdictional error. Therefore, no interference is called for into the order passed by the 2nd respondent. In this regard, the learned senior counsel has relied upon the decision of the Honourable Apex Court reported in SYED YAKOOB .vs. K.S.RADHAKRISHNAN (AIR 1964 SC 477).

15. This Court has paid its anxious consideration on the submissions made by the learned counsel on either side, and perused the materials available on record.

16. In view of the said submissions, the following points would arise for consideration in this writ petition:

(1) Whether the 4th respondent can claim any exclusive right over the individual element 'IMPERIAL' when a trade mark consists of several matters ?

(2) Whether the 2nd respondent Board has committed any error in allowing the application filed by the 4th respondent by applying the provisions of section 11 of the Trade Marks Act ?

17. With regard to the first point, it is the contention of the learned senior counsel for the writ petitioner that the word 'IMPERIAL' is a common word and, as such, the 4th respondent cannot claim exclusive right over the said word. Moreover, by adding the word 'RHIZOME', the trade mark has become, undoubtedly, distinctive. But the 2nd respondent Board without looking into the trade mark as a whole, by isolating the individual element and applying the principle of infringement, which is the subject matter of civil suit, has allowed the application. In this regard, it would be appropriate to refer to the judgments relied on by both sides. The learned senior counsel has relied on the decision reported in HIMALAYA DRUG CO., vs. SBL LIMITED (2010 (43) PTC 739 (Delhi)), wherein it has been held as follows:

"50. This Court proceeds to discuss the points urged. In the first place, there can be no dispute on the test of deceptive similarity which is now well-settled in Durga Dutt, Amritdhara and Glucovita cases. The marks indeed must be compared as a whole for determining if there is infringement without reading any disclaimer in any part thereof even if the similarity is in respect of descriptive marks.

51. The anti-dissection rule which is prevalent both in US as well as in India is really based upon customer behaviour. It has been succinctly set out in Mc.Carthy on Trade Marks and Unfair Competition as under:

"23.15 Comparing Marks: Differences v. Similarities

(1) The Anti-Dissection Rule

(a) Compare composition as a Whole

Conflicting composition marks are to be compared by looking at them as a whole, rather than breaking the marks up into their component parts for comparison. This is the "anti-dissection" rule. The rationale for the rule is that the commercial impression of a composite trademark on an ordinary prospective buyer is created by the mark as a whole, not by its component parts. However, it is not a violation of the anti-dissection rule to view the component parts of conflicting composite marks as a preliminary step on the way to an ultimate determination of probable customer reaction to the conflicting composites as a whole. Thus, conflicting marks must be compared in their entireties. A mark should not be dissected or split up into its component parts and each part then compared with corresponding parts of the conflicting mark to determine

the likelihood of confusion. It is the impression that the mark as a whole creates on the average reasonably prudent buyer and not the parts thereof, that is important. As the Supreme Court observed: "The commercial impression of a trademark is derived from it as a whole, not from its elements separated and considered in detail. For this reason it should be considered in its entirety".

The anti-dissection rule is based upon a common sense observation of customer behaviour: the typical shopper does not retain all of the individual details of a composite mark in his or her mind, but retains only an overall, general impression created by the composite as a whole. It is the overall impression created by the mark from the ordinary shopper's cursory observation in the market place that will or will not lead to a likelihood of confusion, not the impression created from a meticulous comparison as expressed in carefully weighed analysis in legal briefs.

In litigation over the alleged similarity of marks, the owner will emphasize the similarities and the alleged infringer will emphasize the differences. The point is that the two marks should not be examined with a microscope to find the differences, for this is not the way the average purchaser views the marks. To the average buyer, the points of similarity are more important than minor points of difference. A court should not engage in "technical gymnastics" in an attempt to find some minor differences between conflicting marks. However, where there are both similarities and differences in the marks, there must be weighed against one another to see which predominate.

The rationale of the anti-dissection rule is based upon this assumption: "An average purchaser does not retain all the details of a mark, but rather the mental impression of the mark creates in its totality. It has been held to be a violation of the anti-dissection rule to focus upon the "prominent" feature of a mark and decide likely confusion solely upon that feature, ignoring all other elements of the mark. Similarly, it is improper to find that one portion of a composite mark has no trademark significance, leading to a direct comparison between only that which remains".

52. There is merit in the contention that where the trademark includes a generic component, the manufacturers are not precluded from using as part of their marks the said generic component. This is because the generic component will obviously not be the distinctive portion and the dominant portion would be dissimilar or non-generic portion. When the comparison of the marks are taken up as a whole, the distinctive portion of the trade marks i.e. non-generic component would have to be compared and not the generic component".

18. It is, no doubt, as contended by the learned Senior counsel for the petitioner, no one can claim exclusive right for the word 'IMPERIAL' since the word 'IMPERIAL' is only a common word. The ordinary dictionary meaning of the word refers to an empire, an emperor or empress, of a country having control or sovereignty over other countries or colonies, etc. But, at the same time, it is the submission of the learned counsel for the 4th respondent that by adding a colour, namely, Blue, along with the word 'IMPERIAL', they innovated a structural and conceptual coinage of IMPERIAL + Colour, namely, 'IMPERIAL BLUE', which is distinctive and unique component. Subsequently, the petitioner has also registered yet another trade mark 'IMPERIAL RED'. Therefore, the word 'IMPERIAL' has to be looked into along with the colour to decide the issue, 'whether the trade mark of the petitioner could be registered or not'. But it is the reply of the learned senior counsel for the petitioner that conflicting composite marks are to be compared by looking at them as a whole, rather than breaking up the marks into their component parts for comparison. So far as the instant case is concerned, the word 'IMPERIAL' is a common word and by adding the house mark 'RHIZOME' as prefix and a colour, namely, 'GOLD', the trade mark of the petitioner has become distinguishable from the trade mark of the 4th respondent. But, it is the claim of the 4th respondent that even when the word 'RHIZOME' is added as prefix to distinguish the petitioner's goods from those of the 4th respondent, the added trade mark is of no consequence and in the case of passing off, it is immaterial but the parties cannot escape liability in the case of infringement. In this regard, a reference could be placed on the judgment relied on by the learned senior counsel for the petitioner reported in DURGA DUTT SHARMA .vs. NAVARATNA PHARMACEUTICAL LABORATORIES (AIR 1965 SC 980), wherein the Honourable Apex Court has held as follows:

"28. In an action for infringement, the plaintiff must, no doubt, make out that the use of the defendant's mark is likely to deceive, but where the similarity between the plaintiff's and the defendant's mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is an imitation, no further evidence is required to establish that the plaintiff's rights are violated. Expressed in another way, if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial; whereas in the case of passing off, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff".

19. In the case relied on by the 4th respondent reported in RUSTON & HORNBY LTD., .vs. Z.ENGINEERING CO., (AIR 1970 SC 1649), it has been held as follows:

"8. In the present case the High Court has found that there is a deceptive resemblance between the word "RUSTON" and the 'word "RUSTAM" and therefore the use of the bare word ',RUSTAM" constituted infringement of the plaintiff's trade mark "RUSTON". The respondent has not brought an appeal against the judgment of the High Court on this point and it is, therefore, not open to him to challenge that finding. If the respondent's trade mark is deceptively similar to that of the appellant the fact that the word 'INDIA' is added to the respondent's trade mark is of no consequence and the appellant is entitled to succeed in its action for infringement of its trade mark".

20. On going through the decisions relied on by the learned counsel on either side, we find that in the judgment relied on by the learned senior counsel for the petitioner reported in HIMALAYA DRUG CO., vs. SBL LIMITED (2010 (43) PTC 739 (Delhi) (cited supra), the Delhi High Court has made a reference in McCarthy on Trademarks with regard to the comparing marks by applying two principles, i.e. (i) Anti-Dissection Rule and (ii) Compare composition as a whole.

21. A reading of the said judgment would show that the conflicting composition marks must be compared in their entirety. A mark should not be dissected or split into its component parts and each part then compared with corresponding parts of the conflicting mark to determine the likelihood of confusion. Undoubtedly, the word 'IMPERIAL' is a common and universal word. As observed earlier, nobody can have an exclusive right over the said word. If the trade mark of the petitioner looked as a whole, namely, 'RHIZOME'S IMPERIAL GOLD', with the trade mark of the 4th petitioner 'IMPERIAL BLUE' without making any dissection or splitting up the word into several words, in our opinion, it would not cause any confusion in the minds of the purchasers.

22. Though the learned senior counsel for the petitioner relied upon a judgment that by adding prefix to a trade mark, the petitioner cannot escape liability in the action for infringement on the ground that only if the added word created confusion in the minds of the customers, an interference could be made with regard to the registration of subsequent mark. But, in the instant case, we are of the opinion that by adding a house mark 'RHIZOME' as prefix and a different colour name as suffix, the petitioner had totally made their product as distinguishable from the 4th respondent's trade mark. Under such circumstances, the judgment relied upon by the learned counsel for the 4th respondent cannot be made applicable to the facts of this case. Hence, we are not accepting the submission made by the learned counsel for the 4th respondent that the trade mark of the writ petitioner is deceptively similar to the trade mark of the 4th respondent.

23. Further, we find that the 2nd respondent Board by applying the principle of infringement had cancelled the trade mark of the writ petitioner. We find that Section 9 relates to absolute grounds for refusal of registration. Section 11 deals with the 'relative grounds for refusal of registration'. But, in the instant case, the trade mark of the 4th respondent 'IMPERIAL BLUE' was registered by the Board on 12.02.1997, vide Registration No.751781 and the petitioner's application for the mark 'RHIZOME IMPERIAL' was advertised in the Trade Marks Journal No.1301 dated 28.03.2003. Though the 4th respondent was aware of the petitioner's mark, they had never challenged the registration of the trade mark of the petitioner. Further, the materials available on record would show that the petitioner had forwarded a copy of their 'RHIZOME'S IMPERIAL GOLD' label to the Commissioner of Prohibition and Excise of Andhra Pradesh in March, 2006 and as per the practice, the label was exhibited on the notice board at the office of the Excise Commissioner for seven days. The Liquor India Private Limited, who is the local manufacturing, bottling and blending partner of Seagram Manufacturing Private Limited, though objected to the said label, subsequently it had withdrawn their objections and thereafter, the petitioner has been using the trade mark 'RHIZOME IMPERIAL GOLD' for several years. But, all of a sudden, the 4th respondent filed an application under section 57 of the Act for rectification of the registration and the Board by applying the principles embodied under sections 9 and 11 i.e. the grounds for refusing the registration, allowed the application filed by the 4th respondent. It is to be pointed out that the 4th respondent has come forward to file this application, after losing their battle against the writ petitioner before the Delhi High Court, which order has become final, since upheld by the Honourable Apex Court. Though the said order passed by the Division Bench of the Delhi High Court is an interim order, pending the suit, the 4th respondent cannot be permitted to say that the said order has no application. Further, in our considered opinion, the grounds embodied under sections 9 and 11 are available to the persons only at the time when they raise objection for registering the trade mark. The said principles cannot be applied for rectification of the registration, particularly considering the factum that the Liquor India Private Limited has withdrawn their objections before the Commissioner on 14.03.2006 and allowed the petitioner to carry on the business under the name of RHIZOME IMPERIAL GOLD. Therefore, we are of the opinion that the order passed by the 2nd respondent is not legally sustainable. Since the order passed by the 2nd respondent Board, allowing the rectification application for removal of the petitioner's trade mark from the Register of Trade Marks by applying the principle which was available to the trade mark holder before registering the trade mark, suffers from illegality, this Court can make interference under Article 226 of the Constitution of India. Under such circumstances, we answer both the points in favour of the petitioner and the impugned order is set aside.

In result, the writ petition is allowed. No costs.

Sd/-
Asst. Registrar.

/true copy/

Sub Asst. Registrar.

gl

To

1. The Secretary,
Union of India,
Department of Industrial Policy
& Promotion,
Ministry of Industry & Commerce,
Government of India,
Udyog Bhavan, New Delhi-110 011.
2. The Registrar,
Intellectual Property Appellate Board,
Annex-I, Guna Complex, II Floor,
443, Anna Salai, Teynampet, Chennai-600 018.
3. The Registrar of Trade Marks,
Trade Marks Registry,
Intellectual Property Office Building,
G.S.T.Road, Guindy,
Chennai-600 032.

+ 1 CC To M/S. GMS Law Associates Advocate SR NO.10719

+ 1 CC To Mr.A.A.Mohan & Brinda Mohan Advocate SR NO.10899

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